## REMARKS

Reconsideration and allowance of the subject application are respectfully solicited.

Claims 1 through 19 are pending, with Claims 1 through 7, 18, and 19 being independent. Claims 7 through 19 were withdrawn from consideration. Claims 1 through 6 have been amended. The specification has been amended.

Transmitted herewith are twenty-four replacement sheets of formal drawings (comprising Figs. 1 through 24), which are clean copies of the original drawings.

Claims 1 through 6 were rejected under 35 U.S.C. § 102(e) over newly-cited US 2004/0114819 A1 (Matsuura, et al.). All rejections are respectfully traversed.

Claims 1, 3, and 5 recite, *inter alia*, compositing the first and second images by replacing some or all image data in common frequency band components between the first and second images, and outputting the composited image during a transition from the first image to the second image.

Claims 2, 4, and 6 recite, *inter alia*, gradually compositing the first and second images by replacing some or all image data in a predetermined frequency band component among the first and second images while changing the predetermined frequency band component to be processed along with an elapse of time, with outputting a composite image as a moving image upon changing the predetermined frequency band component.

However, Applicant respectfully submits that <u>Matsuura</u>, et al. fails to disclose or suggest at least the above-discussed claimed features as recited, *inter alia*, in Claims 1 through 6.

The Official Action relies upon, e.g., <u>Matsuura, et al.</u> paragraphs [0147], [0182], and [0183]. Applicant respectfully submits that such discloses, e.g., dividing an image to a plurality

of subbands (sub-band transform unit 1202), discriminating an edge area and non-edge area, and storing quantized data into a page memory 1206, which provides neither a description nor a suggestion of at least the above-discussed claimed features as recited, *inter alia*, in Claims 1 through 6.

Applicant further respectfully submits that there has been no showing of any indication of motivation in the cited document that would lead one having ordinary skill in the art to arrive at such claimed features.

The dependent claims are also submitted to be patentable because they set forth additional aspects of the present invention and are dependent from independent claims discussed above. Therefore, separate and individual consideration of each dependent claim is respectfully requested.

Applicant submits that this application is in condition for allowance, and a Notice of Allowance is respectfully requested.

Applicant's undersigned attorney may be reached in our Washington, D.C. office by telephone at (202) 530-1010. All correspondence should continue to be directed to our address given below.

Respectfully submitted,

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